

§ 50.33

12 CFR Ch. I (1–1–16 Edition)

an asset exchange where the national bank or Federal savings association has rehypothecated the assets posted by the asset exchange counterparty, and, as of the calculation date, the assets will not be returned to the national bank or Federal savings association within 30 calendar days;

(xii) 50 percent of the fair value of the level 2B liquid assets the national bank or Federal savings association will receive from a counterparty pursuant to an asset exchange where the national bank or Federal savings association has rehypothecated the assets posted by the asset exchange counterparty, and, as of the calculation date, the assets will not be returned to the national bank or Federal savings association within 30 calendar days; and

(xiii) 100 percent of the fair value of the non-HQLA the national bank or Federal savings association will receive from a counterparty pursuant to an asset exchange where the national bank or Federal savings association has rehypothecated the assets posted by the asset exchange counterparty, and, as of the calculation date, the assets will not be returned to the national bank or Federal savings association within 30 calendar days.

(k) *Foreign central bank borrowing outflow amount.* A national bank's or Federal savings association's foreign central bank borrowing outflow amount is, in a foreign jurisdiction where the national bank or Federal savings association has borrowed from the jurisdiction's central bank, the outflow amount assigned to borrowings from central banks in a minimum liquidity standard established in that jurisdiction. If the foreign jurisdiction has not specified a central bank borrowing outflow amount in a minimum liquidity standard, the foreign central bank borrowing outflow amount must be calculated in accordance with paragraph (j) of this section.

(l) *Other contractual outflow amount.* A national bank's or Federal savings association's other contractual outflow amount is 100 percent of funding or amounts, with the exception of operating expenses of the national bank or Federal savings association (such as rents, salaries, utilities, and other

similar payments), payable by the national bank or Federal savings association to counterparties under legally binding agreements that are not otherwise specified in this section.

(m) *Excluded amounts for intragroup transactions.* The outflow amounts set forth in this section do not include amounts arising out of transactions between:

(1) The national bank or Federal savings association and a consolidated subsidiary of the national bank or Federal savings association; or

(2) A consolidated subsidiary of the national bank or Federal savings association and another consolidated subsidiary of the national bank or Federal savings association.

§ 50.33 Inflow amounts.

(a) The inflows in paragraphs (b) through (g) of this section do not include:

(1) Amounts the national bank or Federal savings association holds in operational deposits at other regulated financial companies;

(2) Amounts the national bank or Federal savings association expects, or is contractually entitled to receive, 30 calendar days or less from the calculation date due to forward sales of mortgage loans and any derivatives that are mortgage commitments subject to § 50.32(d);

(3) The amount of any credit or liquidity facilities extended to the national bank or Federal savings association;

(4) The amount of any asset that is eligible HQLA and any amounts payable to the national bank or Federal savings association with respect to that asset;

(5) Any amounts payable to the national bank or Federal savings association from an obligation of a customer or counterparty that is a nonperforming asset as of the calculation date or that the national bank or Federal savings association has reason to expect will become a nonperforming exposure 30 calendar days or less from the calculation date; and

(6) Amounts payable to the national bank or Federal savings association with respect to any transaction that has no contractual maturity date or

that matures after 30 calendar days of the calculation date (as determined by § 50.31).

(b) *Net derivative cash inflow amount.* The net derivative cash inflow amount as of the calculation date is the sum of the net derivative cash inflow amount for each counterparty. The net derivative cash inflow amount does not include amounts excluded from inflows under paragraph (a)(2) of this section. The net derivative cash inflow amount for a counterparty is the sum of:

(1) The amount, if greater than zero, of contractual payments and collateral that the national bank or Federal savings association will receive from the counterparty 30 calendar days or less from the calculation date under derivative transactions other than transactions described in paragraph (b)(2) of this section, less the contractual payments and collateral that the national bank or Federal savings association will make or deliver to the counterparty 30 calendar days or less from the calculation date under derivative transactions other than transactions described in paragraph (b)(2) of this section, provided that the derivative transactions are subject to a qualifying master netting agreement; and

(2) The amount, if greater than zero, of contractual principal payments that the national bank or Federal savings association will receive from the counterparty 30 calendar days or less from the calculation date under foreign currency exchange derivative transactions that result in the full exchange of contractual cash principal payments in different currencies within the same business day, less the contractual principal payments that the national bank or Federal savings association will make to the counterparty 30 calendar days or less from the calculation date under foreign currency exchange derivative transactions that result in the full exchange of contractual cash principal payments in different currencies within the same business day.

(c) *Retail cash inflow amount.* The retail cash inflow amount as of the calculation date includes 50 percent of all payments contractually payable to the national bank or Federal savings association from retail customers or counterparties.

(d) *Unsecured wholesale cash inflow amount.* The unsecured wholesale cash inflow amount as of the calculation date includes:

(1) 100 percent of all payments contractually payable to the national bank or Federal savings association from financial sector entities, or from a consolidated subsidiary thereof, or central banks; and

(2) 50 percent of all payments contractually payable to the national bank or Federal savings association from wholesale customers or counterparties that are not financial sector entities or consolidated subsidiaries thereof, provided that, with respect to revolving credit facilities, the amount of the existing loan is not included in the unsecured wholesale cash inflow amount and the remaining undrawn balance is included in the outflow amount under § 50.32(e)(1).

(e) *Securities cash inflow amount.* The securities cash inflow amount as of the calculation date includes 100 percent of all contractual payments due to the national bank or Federal savings association on securities it owns that are not eligible HQLA.

(f) *Secured lending and asset exchange cash inflow amount.* (1) A national bank's or Federal savings association's secured lending cash inflow amount as of the calculation date includes:

(i) Zero percent of all contractual payments due to the national bank or Federal savings association pursuant to secured lending transactions, including margin loans extended to customers, to the extent that the payments are secured by collateral that has been rehypothecated in a transaction and, as of the calculation date, will not be returned to the national bank or Federal savings association within 30 calendar days;

(ii) 100 percent of all contractual payments due to the national bank or Federal savings association pursuant to secured lending transactions not described in paragraph (f)(1)(vii) of this section, to the extent that the payments are secured by assets that are not eligible HQLA, but are still held by the national bank or Federal savings association and are available for immediate return to the counterparty at any time;

(iii) Zero percent of all contractual payments due to the national bank or Federal savings association pursuant to secured lending transactions not described in paragraphs (f)(1)(i) or (ii) of this section, to the extent that the payments are secured by level 1 liquid assets;

(iv) 15 percent of all contractual payments due to the national bank or Federal savings association pursuant to secured lending transactions not described in paragraphs (f)(1)(i) or (ii) of this section, to the extent that the payments are secured by level 2A liquid assets;

(v) 50 percent of all contractual payments due to the national bank or Federal savings association pursuant to secured lending transactions not described in paragraphs (f)(1)(i) or (ii) of this section, to the extent that the payments are secured by level 2B liquid assets;

(vi) 100 percent of all contractual payments due to the national bank or Federal savings association pursuant to secured lending transactions not described in paragraphs (f)(1)(i), (ii), or (vii) of this section, to the extent that the payments are secured by assets that are not HQLA; and

(vii) 50 percent of all contractual payments due to the national bank or Federal savings association pursuant to collateralized margin loans extended to customers, not described in paragraph (f)(1)(i) of this section, provided that the loans are secured by assets that are not HQLA.

(2) A national bank's or Federal savings association's asset exchange inflow amount as of the calculation date includes:

(i) Zero percent of the fair value of assets the national bank or Federal savings association will receive from a counterparty pursuant to asset exchanges, to the extent that the asset received by the national bank or Federal savings association from the counterparty has been rehypothecated in a transaction and, as of the calculation date, will not be returned to the national bank or Federal savings association within 30 calendar days;

(ii) Zero percent of the fair value of level 1 liquid assets the national bank or Federal savings association will re-

ceive from a counterparty pursuant to asset exchanges, not described in paragraph (f)(2)(i) of this section, where the national bank or Federal savings association must post level 1 liquid assets to the asset exchange counterparty;

(iii) 15 percent of the fair value of level 1 liquid assets the national bank or Federal savings association will receive from a counterparty pursuant to asset exchanges, not described in paragraph (f)(2)(i) of this section, where the national bank or Federal savings association must post level 2A liquid assets to the asset exchange counterparty;

(iv) 50 percent of the fair value of level 1 liquid assets the national bank or Federal savings association will receive from a counterparty pursuant to asset exchanges, not described in paragraph (f)(2)(i) of this section, where the national bank or Federal savings association must post level 2B liquid assets to the asset exchange counterparty;

(v) 100 percent of the fair value of level 1 liquid assets the national bank or Federal savings association will receive from a counterparty pursuant to asset exchanges, not described in paragraph (f)(2)(i) of this section, where the national bank or Federal savings association must post assets that are not HQLA to the asset exchange counterparty;

(vi) Zero percent of the fair value of level 2A liquid assets the national bank or Federal savings association will receive from a counterparty pursuant to asset exchanges, not described in paragraph (f)(2)(i) of this section, where the national bank or Federal savings association must post level 1 or level 2A liquid assets to the asset exchange counterparty;

(vii) 35 percent of the fair value of level 2A liquid assets the national bank or Federal savings association will receive from a counterparty pursuant to asset exchanges, not described in paragraph (f)(2)(i) of this section, where the national bank or Federal savings association must post level 2B liquid assets to the asset exchange counterparty;

(viii) 85 percent of the fair value of level 2A liquid assets the national bank or Federal savings association will receive from a counterparty pursuant to asset exchanges, not described in paragraph (f)(2)(i) of this section, where the

national bank or Federal savings association must post assets that are not HQLA to the asset exchange counterparty;

(ix) Zero percent of the fair value of level 2B liquid assets the national bank or Federal savings association will receive from a counterparty pursuant to asset exchanges, not described in paragraph (f)(2)(i) of this section, where the national bank or Federal savings association must post assets that are HQLA to the asset exchange counterparty; and

(x) 50 percent of the fair value of level 2B liquid assets the national bank or Federal savings association will receive from a counterparty pursuant to asset exchanges, not described in paragraph (f)(2)(i) of this section, where the national bank or Federal savings association must post assets that are not HQLA to the asset exchange counterparty.

(g) *Broker-dealer segregated account inflow amount.* A national bank's or Federal savings association's broker-dealer segregated account inflow amount is the fair value of all assets released from broker-dealer segregated accounts maintained in accordance with statutory or regulatory requirements for the protection of customer trading assets, provided that the calculation of the broker-dealer segregated account inflow amount, for any transaction affecting the calculation of the segregated balance (as required by applicable law), shall be consistent with the following:

(1) In calculating the broker-dealer segregated account inflow amount, the national bank or Federal savings association must calculate the fair value of the required balance of the customer reserve account as of 30 calendar days from the calculation date by assuming that customer cash and collateral positions have changed consistent with the outflow and inflow calculations required under §§ 50.32 and 50.33.

(2) If the fair value of the required balance of the customer reserve account as of 30 calendar days from the calculation date, as calculated consistent with the outflow and inflow calculations required under §§ 50.32 and 50.33, is less than the fair value of the required balance as of the calculation

date, the difference is the segregated account inflow amount.

(3) If the fair value of the required balance of the customer reserve account as of 30 calendar days from the calculation date, as calculated consistent with the outflow and inflow calculations required under §§ 50.32 and 50.33, is more than the fair value of the required balance as of the calculation date, the segregated account inflow amount is zero.

(h) *Other cash inflow amounts.* A national bank's or Federal savings association's inflow amount as of the calculation date includes zero percent of other cash inflow amounts not included in paragraphs (b) through (g) of this section.

(i) *Excluded amounts for intragroup transactions.* The inflow amounts set forth in this section do not include amounts arising out of transactions between:

(1) The national bank or Federal savings association and a consolidated subsidiary of the national bank or Federal savings association; or

(2) A consolidated subsidiary of the national bank or Federal savings association and another consolidated subsidiary of the national bank or Federal savings association.

Subpart E—Liquidity Coverage Shortfall

§ 50.40 Liquidity coverage shortfall: Supervisory framework.

(a) *Notification requirements.* A national bank or Federal savings association must notify the OCC on any business day when its liquidity coverage ratio is calculated to be less than the minimum requirement in § 50.10.

(b) *Liquidity plan.* (1) For the period during which a national bank or Federal savings association must calculate a liquidity coverage ratio on the last business day of each applicable calendar month under subpart F of this part, if the national bank's or Federal savings association's liquidity coverage ratio is below the minimum requirement in § 50.10 for any calculation date that is the last business day of the applicable calendar month, or if the OCC has determined that the national bank or Federal savings association is